and with which the Administrator will comply in the absence of an accepted State program, to issue Phase II Acid Rain permits.

(b) Relationship to operating permit program. Each State permitting authority with an affected source shall act in accordance with this part and parts 70, 74, 76, and 78 of this chapter for the purpose of incorporating Acid Rain Program requirements into each affected source's operating permit . To the extent that this part or part 74, 76, or 78 of this chapter is inconsistent with the requirements of part 70 of this chapter, this part and parts 74, 76, and 78 of this chapter shall take precedence and shall govern the issuance, denial, revision, reopening, renewal, and appeal of the Acid Rain portion of an operating permit.

[62 FR 55482, Oct. 24, 1997, as amended at 66 FR 12978, Mar. 1, 2001]

§ 72.71 Acceptance of State Acid Rain programs—general.

- (a) Each State shall submit, to the Administrator for review and acceptance, a State Acid Rain program meeting the requirements of §§72.72 and 72.73.
- (b) The Administrator will review each State Acid Rain program or portion of a State Acid Rain program and accept, by notice in the FEDERAL REG-ISTER, all or a portion of such program to the extent that it meets the requirements of §§ 72.72 and 72.73. At his or her discretion, the Administrator may accept, with conditions and by notice in the Federal Register, all or a portion of such program despite the failure to meet requirements of §§72.72 and 72.73. On the later of the date of publication of such notice in the FEDERAL REG-ISTER or the date on which the State operating permit program is approved under part 70 of this chapter, the State Acid Rain program accepted by the Administrator will become a portion of the approved State operating permit program. Before accepting or rejecting all or a portion of a State Acid Rain Program, the Administrator will provide notice and opportunity for public comment on such acceptance or rejection.
- (c)(1) Except as provided in paragraph (c)(2) of this section, the Administrator

will issue all Acid Rain permits for Phase I. The Administrator reserves the right to delegate the remaining administration and enforcement of Acid Rain permits for Phase I to approved State operating permit programs.

(2) The State permitting authority will issue an opt-in permit for a combustion or process source subject to its jurisdiction if, on the date on which the combustion or process source submits an opt-in permit application, the State permitting authority has opt-in regulations accepted under paragraph (b) of this section and an approved operating permits program under part 70 of this chapter.

[62 FR 55482, Oct. 24, 1997]

§ 72.72 Criteria for State operating permit program.

A State operating permit program (including a State Acid Rain program) shall meet the following criteria. Any aspect of a State operating permits program or any implementation of a State operating permit program that fails to meet these criteria shall be grounds for nonacceptance or withdrawal of all or part of the Acid Rain portion of an approved State operating permit program by the Administrator or for disapproval or withdrawal of approval of the State operating permit program by the Administrator.

- (a) Non-Interference with Acid Rain Program. The State operating permit program shall not include or implement any measures that would interfere with the Acid Rain Program. In particular, the State program shall not restrict or interfere with allowance trading and shall not interfere with the Administrator's decision on an offset plan. Aspects and implementation of the State program that would constitute interference with the Acid Rain Program, and are thus prohibited, include but are not limited to:
- (1) Prohibitions, inconsistent with the Acid Rain Program, on the acquisition or transfer of allowances by an affected unit or affected source under the jurisdiction of the State permitting authority;
- (2) Restrictions, inconsistent with the Acid Rain Program, on an affected unit's or an affected source's ability to